OPEN MEETING AGENDA ITEM

ORIGINAL

BEFORE THE ARIZONA CORPORATION C



COMMISSIONERS

Arizona Corporation Commission

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AZ CORP COMMISSION DOCKET CN5. TC-04169A-04-0816

IN THE MATTER OF THE APPLICATION OF VALLEY CONNECTIONS L.L.C. FOR AUTHORIZATION TO ASSUME NEW DEBT

A.R.S. §40-252 MOTION TO AMEND DECISION NO. 68080

As further set forth below, Valley Connections, L.L.C. ("Valley Connections") hereby asks the Commission to issue an Order pursuant to A.R.S. §40-252 amending Decision No. 68080 to remove an unnecessary annual filing requirement.

I. **Background**

Valley Connections is a Competitive Local Exchange Carrier ("CLEC") and a wholly owned subsidiary of Valley Telephone Cooperative, Inc. On August 17, 2005, the Commission issued Decision No 68080, which approved the assumption by Valley Connections of long-term debt issued by the Rural Utilities Services.

Decision No. 68080 contained the following ordering paragraph:

IT IS FURTHER ORDERED that the Company will maintain its books and records separately from affiliated entities and annually provide a balance sheet, income statement, statement of stockholder's equity and footnotes. (Emphasis added).

Valley Connections interprets this language to require that the financial reports be filed in the docket file and has been making the required annual filings.

As understood by Valley Connections, the reason for the filing requirement was to provide the Commission evidence that Valley Connections' regulated affiliates were not somehow subsidizing the RUS debt. The RUS debt was paid off in 2014, which thereby eliminates any need for the filing requirement. (See the Affidavit of Virgil Barnard, previously filed on February 4, 2015.)

Continuing to require Valley Connections to make public financial filings puts it a competitive disadvantage compared to other CLECs, which are not required to make such filings. As a CLEC, Valley Connections should only be required to file the confidential annual report required by Commission Rule 1115(F).

II. Withdrawal of Nunc Pro Tunc Motion

Valley Connections hereby withdraws its February 4, 2015, Motion to Amend *Nunc Pro Tunc*.

III. Requested Amendment

Valley Connections asks that the above ordering paragraph in Decision 68080 be amended to read as follows:

IT IS FURTHER ORDERED that the Company will maintain its books and records separately from affiliated entities and each year file the annual report required by Commission Rule 1115(F).

IV. Waiver of Hearing

Valley Connections waives its right to a hearing in connection with this motion.

Respectfully submitted on March 11, 2015, by:

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